



Rochester Hills Minutes City Council Work Session

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*Erik Ambrozaitis, Jim Duistermars, Barbara Holder, Greg Hooper,
Linda Raschke, James Rosen, Ravi Yalamanchi*

Wednesday, February 21, 2007

7:30 PM

1000 Rochester Hills Drive

DRAFT

CALL TO ORDER

President Rosen called the Rochester Hills City Council Work Session to order at 7:38 p.m. Michigan Time.

ROLL CALL

Present: Erik Ambrozaitis, Jim Duistermars, Greg Hooper, Linda Raschke, James Rosen and Ravi Yalamanchi

Absent: Barbara Holder

Others Present:

*Bryan Barnett, Mayor
Jane Leslie, City Clerk
Roger Rousse, Director of DPS/Engineering
John Staran, City Attorney*

Council Member Barbara Holder provided previous notice she would be unable to attend and asked to be excused.

PLEDGE OF ALLEGIANCE

REVIEW OF AGENDA

Introduction of a Special Guest

GUEST SPEAKER - Congressman Joe Knollenberg

Mayor Barnett introduced Congressman Joe Knollenberg.

Congressman Knollenberg gave a short address on the War in Iraq, the automotive situation concerning the "Big 3", and his new Wellness Bill.

PUBLIC COMMENTS

Lee Zendel, 1575 Dutton, commented on many cities that have their own dispatch in Oakland County. He compared statistics of police officers to population of surrounding communities to Rochester Hills.

LEGISLATIVE & ADMINISTRATIVE COMMENTS

President Rosen took a moment to address Council and reminded them of proper personal and verbal etiquette when speaking during Legislative and Administrative Comments. He explained the purpose of the agenda item, and what items could be discussed.

Mr. Ambrozaitis thanked Congressman Knollenberg for coming to this evenings' meeting. Advised that tomorrow evening, Thursday, February 22, 2007, at 7:00 p.m. in the City Hall Auditorium, there will be a discussion regarding the Blight Ordinance.

Mr. Hooper clarified from his Police Funding Presentation the fact that the City of Northville is 50% in Oakland County, and 50% in Wayne County.

Ms. Raschke thanked Sam Harris of the Gold Star Restaurant on Rochester Road, just north of Avon Road for making his establishment a nonsmoking restaurant. This is a positive step for the health of our citizens.

Ms. Pratyusha Yalmanchi, Youth Representative for the Rochester Hills Government Youth Council, stated that the Youth Council is hosting a school supply drive for Whitman Elementary School. Residents can call the Clerk's office if they would like to donate. Any donations of school supplies would be appreciated.

Mayor Barnett invited the public to attend the State of the City Address on March 1st, at 7:00 p.m. in the City Hall auditorium. He commented that with the recent snowfall, the City received five (5), to one (1), compliments over complaints regarding the way that the snow was removed this year.

PRESENTATIONS

2007-0127

Oakland County Parks Presentation, Daniel J. Stencil, Executive Officer and Sue Wells, Administrator of Parks Operations, presenters

Attachments: Agenda Summary.pdf; CVT.pdf

Mr. Daniel Stencil, Oakland County Parks' Executive Officer, showed a DVD that outlined the services provided by the Oakland County Parks.

The following is a brief synopsis of Mr. Stencil's presentation:

Oakland County Parks

- * 1.6 million annual visitors
- * Celebrating 40 years in 2006
- * 11 parks; more than 6,000 acres

History of the parks system

- * Established in 1966
- * 10 member Parks Commission
- * Former farms, family-operated campgrounds, weekend estate

Sites & Facilities Highlights

- * 6 day-use parks
- * 5 golf courses
- * 2 water parks
- * 2 nature centers
- * 2 campgrounds

- * *The Fridge toboggan run*

Award-winning system

- * *National, State and local awards*
- * *Innovative recreation program*
- * *Outstanding facility design*
- * *Exceptional staff*

Millage - voter approved

- * *1st millage in 1966*
- * *To maintain, improve, acquire*
- * *Renewed by voters every 10 years*
- * *Next renewal vote 2010*

A Valuable Investment

For a \$200,000 home, it would cost you \$25.00 for Oakland County Parks

Countywide Survey

- * *Stakeholder's interviews*
- * *Parks & Recreation staff focus group*
- * *CVT input*
- * *Voter survey*

Community Connection Initiative

- * *Meet with local officials*
- * *Solicit feedback for long-range plan*
- * *Incorporate input into 3-year strategic plan*

Oakland County Parks Info/Resources

- * *Best practices*
- * *NW Parks & Recreation Association*
- * *Networking*
- * *Michigan Recreation and Park Association*

Preserving Open Space

- * *Focus on land acquisition for future*
- * *Safeguard Oakland County's natural heritage*
- * *Protect woodlands, lakes and wetlands*

Linking Economy, Community & Environment

Water Resources/Natural Areas/Trail Networks

- * *5 river systems & 1400 lakes*
- * *Key quality of life assets*
- * *Business attraction and retention asset*
- * *Billions added to adjacent real estate*

Mobile Recreation Program

- * *Recreation assets*

- * *Mobile stages*
- * *Creating concert consortium*

Community Assistance Program

- * *\$25,000 from Parks Commission*
- * *For youth at risk, lower socioeconomic*
- * *Mobile visits, buses, trips to water parks and nature centers*
- * *30,000 served in 2006*

Camps for Youth

- * *Sports, Wild Adventures, Arts*
- * *Camps host 1,000 youth annually*
- * *Scholarships available*
- * *Camp Wilderness for youth groups*

Urban Park Strategy

- * *Evaluate urban recreation opportunities*
- * *Benchmark with recreation organizations nationwide*
- * *Inventory existing public and private resources*
- * *Develop recommendations*

Cooperative Programs/Partners

- * *Oakland Trails Advisory Council*
- * *Create systems of footpaths and connected horse trails - Oakland Equestrian Coalition*
- * *Recreational programs for citizens with disabilities*
- * *Royal Oak Township Recreation*
- * *Michigan Senior Olympics*
- * *Waterford Schools/Drayton Plains Nature Center*

Need for Upgrades

- * *Aging infrastructure*
- * *Update and renovate*
- * *Maintenance / refurbishment costs up 75% since 2005*
- * *ADA modifications*

Resident, Mr. Orville Horsch, 1181 Tiverton Trail, commented that he played golf at the Oakland County Park. He stated that he has never heard any negative comments about Oakland County Parks

Presented

Recess at 8:37 p.m. to 8:44 p.m.

2005-0462

"Balancing Service Levels with Asset Maintenance and Management Strategies" Presentation, Roger Rouse, Director of DPS/Engineering, presenter

Attachments: Agenda Summary.pdf; City Councils Q A on AM.pdf; Cost Proposal.pdf; Realizing ROI.pdf; Presentation.pdf; Email - MI Asset Council re Certification.pdf; Tabulations.pdf; General Information GBA.pdf; MML.pdf; Asset Mgmt CIP Rating Info.pdf; 021607 Agenda S

Mr. Roger Rouse gave a presentation on *Balancing Service Levels With Asset Maintenance and Management Strategies*. Following is a brief synopsis of that

presentation:

What is an Asset Management Program?

** Interpreted broadly, Asset Management is an ongoing process for extending infrastructure life at the lowest possible costs.*

**More specifically, Asset Management software is a combination of tools and procedures to enhance the inventory, management and maintenance responsibilities.*

Goals and Objectives

- * Provide data to predict asset performance*
- * Track estimated and actual costs*
- * Generate government-required reports*
- * Reduce costs, make better capital replacement decisions, lengthen asset life*
- * Bring together intellectual assets for strategic decision-making*
- * Set priorities on service levels*
- * Reduce liability and exposure*
- * Provide information for disaster relief*
- * Improve community safety*
- * Improve communication between public agencies*

Assumptions

- * The City is in a state of transition from a construction mode into a maintenance mode*
- * There will not be enough funding to perform all the needed work.*
- * The ability to adjust rates is limited*
- * Work needs to be prioritized including capital replacement and renewal strategies*
- * We can no longer rely on the intuitive skills of the staff, many of which will be leaving the workforce in the next 10 years*
- * Advanced financial planning saves the added cost of emergency repairs*

Applications

- * Citizen service request (Complaint System)*
- * Tree manager*
- * Street maintenance and replacement*
- * Water and Sewer maintenance and renewal*
- * Street sign maintenance and replacement*
- * Facilities maintenance and rehabilitation*
- * Street light maintenance*
- * Equipment maintenance*
- * Right of Way inventory and protection*
- * Signs*

Benefits

- * Improved access to the facts*
- * Provides data to predict asset performance*
- * Enhanced customer request and work order tracking*
- * Improved response times*
- * Updated communication regarding system needs*
- * Better coordination between departments*
- * Helps achieve government reporting mandates*
- * Maximizes existing budget dollars and helps plan future budgets*
- * Reduces liability and exposure*

Supporting Agencies

- * *Governmental Accounting and Standards Board*
- * *American Public Works Association*
- * *American Water Works Association*
- * *Institute of Transportation Engineers*
- * *National Rural Water Association*
- * *Water Environment Federation*
- * *Urban and Regional Information Systems Association*
- * *Environmental Protection Agency, National Pollution Discharge Elimination System*
- * *Michigan Asset Management Council*

Who Needs Information

- * *City Council, Mayor, Commissions, Boards*
- * *Engineers*
- * *Planning and Risk Managers*
- * *Public Works Officials*
- * *Bond Rating Agencies*
- * *Inspectors*
- * *Auditors*
- * *Finance and Accounting*
- * *Outside Agencies, (EPA, MDOT, FEMA)*
- * *Maintenance Operators*
- * *Citizens*

Infrastructure

- * *343 miles of sewer pipe, 8142 manholes*
- * *400 miles of water main, 4200 valves*
- * *262 miles of major and local roads*
- * *82 miles of pathways*
- * *46 parcels of city owned land*

Other Considerations

- | | |
|---|------------------|
| * <i>Software purchase</i> | <i>\$143,300</i> |
| * <i>Implementation Service</i> | <i>+155,700</i> |
| * <i>Total</i> | <i>=299,000</i> |
| * <i>Budgeted amount</i> | <i>314,000</i> |
| * <i>Requested amount</i> | <i>\$300,000</i> |
| * <i>Future maintenance cost. After 2 years</i> | |
| <i>20% of current purchase price =</i> | <i>\$38,000</i> |

Conclusion

- * *Asset Management is the most advanced model available for government efficiency in the 21st century*
- * *Asset Management brings together intellectual and physical assets*
- * *Maximizes return on plant and equipment by extending life cycle and minimizing costs*
- * *Provides costing options for elected officials to balance service levels and service rates*
- * *Places an emphasis on citizens request for service*

Mr. Hooper stated that he supported the Asset Management System and applauded Mr. Rouse for bringing this system to Council's attention. He feels that we should be

proactive and spend the money for this program now, because the cost of the program could increase in the future.

Mr. Rouse addressed questions from the Council. His responses included the following:

1) *A lot of the water and sewer data is already stored in the GIS system; thus, it will be easy to transfer that data into the Asset Management Program. When that has been successfully completed, then we can advance to the other areas that need to be implemented into the system.*

2) *This system can compile all information and put it into a report. This report would contain the following:*

** Map of where complaints are coming from, what the nature of them are and prioritize them*

** What the cost would be to repair the problem, and what the maintenance on the repair would cost from year to year*

** Predictive failure on sewer pipes and water mains*

** Determines amount of service - how much money the City would want to spend on the project*

3) *This system can be implemented without any labor intensive cost.*

4) *All information that is put into the system belongs to the City of Rochester Hills. If the City decides in the future to switch systems, or vendors, the information stays the property of the City and can be accessed.*

5) *The City employees do the conditional assessment of all of the sewer pipes and water mains and program the information into the new software. Soil conditions have an impact on the life cycle of buried metal pipes. The new Asset Management System has the ability to locate other metal pipes in the same kinds of soil conditions that could be deteriorating; thus, avoiding an expensive repair.*

6) *There would be a maintenance expense for the software that is based on a proportionate cost of the entire program. The City would be given a 2 (two)- year time frame to implement the Asset Management System before being charged a proportionate amount of the purchase price.*

Mr. Zendel 1575 Dutton Road, questioned Mr. Rouse on the stability of the software company whom the City would be purchasing the Asset Management System from.

Mr. Rouse stated that he would gather information on the company and return with answers to his concerns at the next Council meeting.

Melinda Hill, 1481 Mill Race, questioned whether this new system would be applied to all City departments, or just DPS?

Mr. Rouse identified all areas affected by this new software. They are defined as follows:

- * Complaint System*
- * Tree Manager*
- * Street maintenance and replacement*
- * Water and Sewer maintenance*

- * Street Signs
- * Facilities
- * HVAC and Boiler systems
- * Equipment maintenance
- * Sewage pumps, PRV's and Valves
- * Right of Way Areas
- * Anything associated with lawn maintenance

Mayor Barnett stated that the current system works fine right now, but the City must prepare for the future. He indicated that the City relies on the institutional knowledge of long-term employees, but there is a need to strategize for successful ways to protect the City's largest investment.

President Rosen stated that this item did not get a high rating in the CIP.

Presented

Enactment No: RES0092-2007

ADMINISTRATION

2006-0496

Request for Purchasing Authorization - DPS/Engineering: Approval of an increase to the Blanket Purchase Order for the additional Construction Engineering Services performed on the Avon Intersections @ Livernois & Rochester Roads Project in a new not-to-exceed amount of \$56,212.77; Orchard, Hiltz & McCliment, Inc., Livonia, MI

Attachments: Agenda Summary.pdf; 071206 Memo Rouse.pdf; 071206 Agenda Summary.pdf; 071206 Resolution - Prof Ser.pdf; 071206 Resolution - Constr.pdf; Resolution.pdf

Mr. Rouse explained the cost increase for this project.

1) An additional 7 (seven) driveways were added on to this project, and that increased both the professional PE and CE on the project.

2) At the intersection of Avon Road and Rochester Road, when they were digging, they came across a 6 (six)-inch pipe and did not know where it came from. The project was halted to try and find its origin.

Mr. Hooper questioned Mr. Rouse as to what was achieved by doing the improvements on Avon and Rochester Road?

Mr. Rouse stated there were two improvements; 1) the center left turn lane, and 2) the right turn lane, both of these portions were extended out. The improvements were based off of a traffic study.

Mr. Yalamanchi commented that he would like to see a plan in place so that we do not exceed the funds that have been originally budgeted for projects.

Mr. Rouse explained again the situations that caused the cost overruns on this project. He stated his belief that having contingencies for each project would help to keep the budget for the project balanced.

Mayor Barnett advised Council that this was a Tri-party funded project and that we would be reimbursed for 2/3rds (two-thirds) of the cost

Discussed

Enactment No: RES0068-2007

Recess at 10:04 p.m. to 10:15 p.m.

- 2007-0137** Request for transfer of Class C License with Dance-Entertainment Permit from Oakland Hills Food & Beverage, Inc. to Maximum Management, Inc. located at 1711 E. Auburn, Rochester Hills, MI
- Attachments:** 022107 Agenda Summary.pdf; Liquor License Application.pdf; Resolution.pdf
- Discussed**
- Enactment No:** RES0073-2007
- 2007-0141** Request to accept the Dance-Entertainment Permit Agreement between the City of Rochester Hills and Maximum Management, Inc.
- Attachments:** Agenda Summary.pdf; Dance Entertainment Permit Agreement.pdf; Resolution.pdf
- Discussed**
- Enactment No:** RES0072-2007
- 2007-0138** Request from JSBAR, LLC (The Hills Grille), 6810 N. Rochester Rd. to add a Dance-Entertainment Permit
- Attachments:** 022107 Agenda Summary.pdf; Liquor License Application.pdf; Resolution.pdf
- Discussed**
- Enactment No:** RES0075-2007
- 2007-0139** Request to accept Dance-Entertainment Permit Agreement between the City of Rochester Hills and JSBAR, LLC (The Hills Grille), 6810 N. Rochester Rd.
- Attachments:** Agenda Summary.pdf; Dance Entertainment Permit Agreement.pdf; Resolution.pdf
- Discussed**
- Enactment No:** RES0074-2007
- 2007-0140** Request from Cucina Development, Inc. aka Bravo Development, Inc. to transfer stock through merger in 2006 Class C Licensed Business, located at 286 N. Adams, Rochester Hills, MI
- Attachments:** Agenda Summary.pdf; Bravo Application Info.pdf; Resolution.pdf
- Discussed**
- Enactment No:** RES0071-2007
- 2006-0827** Request for a New Class C license "from quota" for Brinker Michigan, Inc. d/b/a Chili's Grill & Bar
- Attachments:** Agenda Summary.pdf; Chili's Application Info.pdf; Resolution.pdf
- Mr. Carlin, Attorney for Brinker Michigan, Inc. (d/b/a Chili's Grill & Bar), requested that a Class C License be granted to Chili's Bar & Grill for their new site being built in the Grand Sakwa development at M-59 and Adams Road. He advised Council regarding a*

new law governing the transfer of Liquor Licenses. He stated that Chili's restaurant has been in business in Rochester Hills since 1990, that this is a good family restaurant, and they have had no violations.

Mr. Staran, City Attorney, emphasized Mr. Carlin's comments on the new law governing Liquor Licenses. He stated that this new law could have significant ramifications for the City in terms of availability of more Liquor Licenses. He acknowledged that the City has been very frugal in recent years with their depleting available licenses. He commented that the new law would make more licenses available for further development in the City.

President Rosen stated he had concerns and hesitations about giving up the last Liquor License that the City has.

Discussed

Enactment No: RES0065-2007

CITY COUNCIL

2007-0136 Discussion regarding the formation of an Elected Committee to make decisions concerning the salaries of City Officials and Executives.

Attachments: Agenda Summary.pdf; Staran's Opinion Letter.pdf

DISCUSSION OF COUNCIL

Council discussed this matter fully, and unanimously agreed to not proceed in electing a Salary Committee.

Discussed

ANY OTHER BUSINESS

Ms. Raschke advised that there will be a meeting at the Van Hoosen Jones Stony Creek Cemetery on February 22, 2007, at 4:00 p.m. to discuss the Chapel. Members of Council and the public are invited to attend. She also advised that on Sunday, February 25th, 2007, the members of the Rochester Hills Fire Department would be performing a 40-flight stair climb at the Marriott in Detroit. They will be raising money to benefit the American Lung Association. She informed the Council and public that in March, Oakland County will be conducting Emergency Response and Preparedness testing of outdoor siren systems the first Saturday of each month at 1:00 p.m.; with the exception of March 28, as a special test in recognition of severe weather awareness.

NEXT MEETING DATE

Regular Council Meeting, Wednesday, February 28, 2007 at 7:30 p.m.

ADJOURNMENT

There being no further business before Council, President Rosen adjourned the meeting at 11:10 p.m.

JAMES ROSEN, President
Rochester Hills City Council

*JANE LESLIE, Clerk
City of Rochester Hills*

*SUE SMITH
Administrative Secretary
City Clerk's Office*